

FIRST AMENDMENT TO THE REPORT AND DECISION ON THE APPLICATION OF OXFORD PLACE ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER. ED.) CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED PARTNERSHIP ORGANIZED PURSUANT TO MASSACHUSETTS GENERAL LAWS, CHAPTER 109, AND APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED PARTNERSHIP UNDER SAID CHAPTER 121A

On August 5, 1982, the Authority voted to adopt a favorable Report and Decision on the 121A Application of the Oxford Place Associates.

The Project consists of 39 units of low-income housing and a 1,700 square foot open park area at 13-25 Oxford Street in the Chinatown-South Cove section of Boston.

Under Section I the unpaginated Report and Decision said:

(4) The Authority further requires as a condition of approval of this application, that all obligations of the Applicant, or of any partner of the Applicant, for unpaid taxes on any property within the City of Boston, shall be discharged by payment, abatement, or other appropriate disposition within six months after the date of final adoption of this Report and Decision.

The allusion to unpaid taxes above refers to \$120,090 plus interest and penalties owed by the Chinese Economic Development Council, Inc., for 1981 and 1982 taxes. The CEDC, Inc. is a partner of Oxford Place Associates under its limited partnership agreement.

The taxes, owed on 22 Boylston Street, Boston, are now in the process of abatement or exemption in accordance with an agreement assented by Counsel for the project, the City Corporation Counsel and the Assessing Department.

The mechanism for allowing the exemption/abatement is to petition the State Commissioner of Revenue to approve under MGL, Chapter 58, Section 8. This is in process and the Assessing Department in a letter to the Director states it "fully expects" the request to be granted.

The letter noted above from Francis X. Moynihan, Jr., Member of the Board of Review, further states:

"To summarize, after all abatements/exemptions CEDC will owe the City of Boston a total of \$48,092.00 on 22 Boylston Street and will be in turn due a refund in the amount of \$61,276.00 on 17 Oxford Street." The project property was overassessed in 1981 and 1982.

The Applicant has applied for an Amendment to the Report and Decision which would grant a further six-month extension of time in which to complete the abatement/exemption process.

It is directed that the Report and Decision be amended under Section 1, sub-paragraph (4) line 4 by striking the word "six" and inserting the word "twelve". In addition, the following will be added to subsection (4): In no case will the extension of time granted under this Amendment extend beyond the time for filing a Certificate of Completion of the project.

In the opinion of the Chief General Counsel; this Amendment does not represent a fundamental change and does not require a public hearing. It is therefore recommended that the Authority adopt the First Amendment to the Application and Report and Decision. All future changes or deviations in the Project to that which is hereby or has been approved will require the approval of the Authority.

MEMORANDUM

JANUARY 28, 1983

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: FIRST AMENDMENT TO REPORT AND DECISION
ON THE CHAPTER 121A APPLICATION OF
OXFORD PLACE ASSOCIATES

On August 5, 1982, the Authority voted to adopt a favorable Report and Decision on the 121A Application of Oxford Place Associates, a limited partnership.

The project, located at 13-25 Oxford Street, is owned by the Chinese Economic Development Council Realty Corp., general partner and the Chinese Development Council, Inc., William Leong, president, as limited partner.

Under Section I of the unpaginated Report and Decision, the Board, among other strictures said:

"(4) The Authority further requires as a condition of approval of this Application, that all obligations, of the Applicant, or any partner of the Applicant, for unpaid taxes on any property within the City of Boston, shall be discharged by payment, abatement or other appropriate disposition within six months after the date of final adoption of this Report and Decision."

The CEDC, Inc., acquired the building at 22 Boylston Street, Boston, on December 2, 1980. The public hearing and application determined that CEDC, Inc., owned approximately \$120,000 in taxes plus interest and penalties for part of fiscal year 1981 and all of 1982. The CEDC, Inc., had expected to lease the building to a high technology firm to create community jobs. However, the plan was aborted and the CEDC, Inc., encountered financial difficulty. The Authority imposed the above-noted strictures in the Report and Decision as a result of this tax problem. The attached letter from Attorney Paul Murphy, Counsel for CEDC, Inc., states that the tax problem will be resolved within the next several months (Attachment 1).

The letter, from Murphy, asks the Corporation Counsel to petition the State Department of Revenues for permission to grant abatements/exemptions pursuant to Chapter 58, Section 8 of the Massachusetts General Laws.

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A letter to the Director from Francis X. Moynihan, of the Assessors Board of Review (Attachment 2) notes he is in the process of petitioning under Chapter 58, in cooperation with Leo McNiff of the Corporation Counsel's Office. The letter notes he "full expects" such petition to be granted.

The letter from Moynihan goes on to say:

"Secondly Oxford Street is fully up to date on all tax payments. The Assessing Department has determined that this property was over assessed in FY1981 and FY1982. Abatements will be granted for both years and CEDC will receive a refund in the amount of \$61,276.00 for overpayments made in both terms.

"To summarize, after all abatements/exemptions CEDC will owe the City of Boston \$48,092.00 on 22 Boylston Street and will be due a refund in the amount of \$61,270.00 on 17 Oxford Street."

The Assessors and Law Department agree that an extension of time is needed to allow for implementation of the above-noted plan of action through the State Revenues Department.

The Amendment will extend for 12 months from the date of final approval of the Report and Decision to enable the tax problem to be resolved. In no event is the extension to go beyond the time for filing with this Authority for a Certificate of Completion.

In the opinion of the Chief General Counsel, this Amendment does not represent a fundamental change and does not require a public hearing. It is therefore recommended that the Authority adopt the attached First Amendment to the Application and Report and Decision.

An appropriate vote follows:

VOTED: That the document presented at this meeting entitled "First Amendment to the Report and Decision on the Application of Oxford Place Associates for the authorization and approval of a project under Massachusetts General Laws (Ter. Ed.) Chapter 121A as amended, and Chapter 652 of the Acts of 1960, to be undertaken and carried out by a limited partnership organized pursuant to Massachusetts General Laws, Chapter 109, and approval to act as an urban redevelopment limited partnership under said Chapter 121A" be and is hereby approved and adopted.

Rec 1/18/83

FOLEY, HOAG & ELIOT

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OF COUNSEL

GARRETT S. HOAG

FERNAND A. BOUDREAU

January 15, 1983

Harold J. Carroll
Corporation Counsel
City of Boston
City Hall Square
Room 615
Boston, MA

RE: 22 Boylston Street
Ward 3, Parcel 4908
Boston, Massachusetts

Dear Mr. Carroll:

This letter is being submitted on behalf of the Chinese Economic Development Council, Inc. ("CEDC"), owner of the above-referenced property (commonly referred to as the "Boylston Building"), to request an abatement of real estate taxes on the Boylston Building for the fiscal years 1981 and 1982 under the provisions of Chapter 58, Section 8 of the Massachusetts General Laws ("Chapter 58, Section 8").

CEDC is an economic development corporation whose purposes include the retention and expansion of job opportunities. CEDC was organized under Chapter 180 of the Massachusetts General Laws and has been determined by the Internal Revenue Service to be exempt from Federal income tax because it is an organization described in Section 501(c)(3) of the Internal Revenue Code ("Section 501(c)(3)"). I am enclosing with this letter a copy of a Certificate of Legal Existence dated September 20, 1982, indicating that CEDC was organized under Chapter 180 of the Massachusetts General Laws and a copy of the letter dated June 2, 1977 from the Internal Revenue Service indicating its determination that CEDC is exempt from Federal income tax under Section 501(c)(3).

ATTACH 1

CEDC acquired record title to the Boylston Building on December 2, 1980 with the expectation of shortly thereafter rehabilitating the property (with federal and state financial assistance), obtaining an exemption for the property from real estate taxes under Chapter 121A of the Massachusetts General Laws ("Chapter 121A") and leasing the property to a high technology manufacturing corporation, thus generating more job opportunities in the City of Boston. CEDC also expected the property to be exempt from taxation under Chapter 59, Section 5, Clause 46 of the Massachusetts General Laws from the date of acquisition until the property was leased. This exemption provides as follows:

[Economic development corporation]--Forty-sixth, Real estate, owned by an economic development corporation whose purpose is to retain and expand job opportunities and which is organized under chapter one hundred and eighty [shall be exempt from taxation] from the date of said real estate's acquisition until such real property is leased, rented, or otherwise disposed of; provided said exemption for such real property should not extend beyond a total period of seven years; and provided, further, that if the whole or any part of any such real estate is used for other than the purpose of said corporation and derives any income from such use, such real estate or part thereof, as the case may be, shall not be exempt.

As noted above, CEDC is an organization within the ambit of Clause 46. Accordingly, CEDC filed with the Board of Assessors of the City of Boston an application for exemption pursuant to Clause 46 for the 1981 fiscal year. A similar exemption application was filed for the 1982 fiscal year.

For various reasons, the above-mentioned lease for the property was never executed. As a result, the Boylston Building has not, as of the date of this letter, been developed, sold or leased and is not exempt from real estate taxes under Chapter 121A. The failure to consummate the anticipated lease/development transaction and CEDC's subsequent inability to develop, sell or lease the Boylston Building created a financial hardship for CEDC which prevented CEDC from paying the real estate taxes on the property for the second half of fiscal year 1981 and all of fiscal year 1982.

Frank Moynihan, a member of the Board of Review of the Boston Assessing Department, agreed, subject to final approval within the Assessing Department, to recommend that (i) the assessed value of the property be abated from \$327,000 to \$279,200 for fiscal year 1981 and to \$257,000 for fiscal year 1982, (ii) the unpaid taxes for the second-half of fiscal year 1981 be abated from \$44,586.45 to \$13,376.20 and (iii) the unpaid taxes for fiscal year 1982 be abated from \$75,504.30 to \$34,865.90. The abatements of the assessed value of the property reflect an overvaluation of the property, while the abatements of the unpaid taxes reflect both an overvaluation of the property and a partial exemption of the property from December 2, 1980 through June 30, 1982. However, Mr. Moynihan has indicated that because, among other things, of

13,376.20
34,865.90
\$48,242.10

Harold J. Carroll
January 15, 1983
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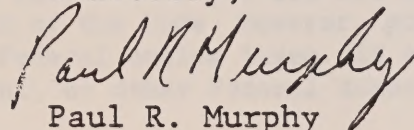
the failure of CEDC to pay the real estate taxes on the property, the Board of Assessors will not grant these abatements unless such abatements are approved by the Commissioner of Revenue pursuant to Chapter 58, Section 8.

Accordingly, we hereby request that you petition the Commissioner of Revenue to authorize the Board of Assessors, pursuant to Chapter 58, Section 8, to abate (i) the assessed value of the property for fiscal year 1981 to \$279,200 and for fiscal year 1982 to \$257,000 and (ii) the taxes for fiscal year 1981 to \$13,376.20 and for fiscal year 1982 to \$34,865.90, in accordance with the above-mentioned recommendation of Frank Moynihan, or to such other amounts as the Board of Assessors and the Commissioner of Revenue determine to be appropriate. We further request that you petition the Commissioner of Revenue to authorize the Board of Assessors to abate all other charges, costs and interest arising from the failure of CEDC to pay the aforesaid taxes.

Please be advised that Oxford Place Associates ("Associates"), an affiliate of CEDC, is currently constructing, with financing from the Massachusetts Housing Finance Agency, subsidized low income housing on Oxford Street, Boston. This housing development is exempt from taxation pursuant to Chapter 121A; however, Associates will lose this tax exemption (and the MHFA financing) if this issue of unpaid taxes on the Boylston Building is not resolved before February 5, 1983. Accordingly, we would appreciate your assistance in resolving this matter as expeditiously as possible so that this low income housing development can be preserved for the City of Boston.

Thank you very much for your attention to this matter. Of course, I will be glad to provide you with any additional information which you may require.

Sincerely,


Paul R. Murphy

PRM/rab

cc: Frank Moynihan
Peter Antell
Leo McNiff
Robert Ryan
William McGrath ✓
George Pan
Thomas Swaim
Robert Leigh

Internal Revenue Service
District Director BOS:EO:77-1025

Department of the Treasury
P.O. BOX 9081
J.F. KENNEDY POST OFFICE
BOSTON, MASS. 02203

Date: June 2, 1977

Person to Contact: M.E. Darr

Contact Telephone Number:
(617)223-4241

Chinese Economic Development
Council, Inc.
20 Hudson St.
Boston, Ma. 02111

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

We have further determined you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(1) and 170(b)(1)(A)(vi).

You are not liable for social security (FICA) taxes unless you file a waiver of exemption certificate as provided in the Federal Insurance Contributions Act. You are not liable for the taxes imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If your purposes, character, or method of operation is changed, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name or address.

If your gross receipts each year are normally more than ~~\$5,000~~^{\$10,000} you are required to file Form 990, Return of Organization Exempt From Income Tax, by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$10 a day, up to a maximum of \$5,000, for failure to file a return on time.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Please keep this determination letter in your permanent records.

Sincerely yours,

HERBERT B. MOSHER
District Director

cc: John D. Patterson, Jr.
Foley, Hoag & Eliot
10 Post Office Square
Boston, Ma. 02109



The Commonwealth of Massachusetts

Office of the Secretary of State

State House, Boston 02133

MICHAEL JOSEPH CONNOLLY

SECRETARY OF STATE

September 20, 1982

TO WHOM IT MAY CONCERN:

I hereby certify that according to records in this office, Chinese Economic Development Council, Inc. was incorporated under the General Laws of this Commonwealth on September 24, 1974, Chapter 180.

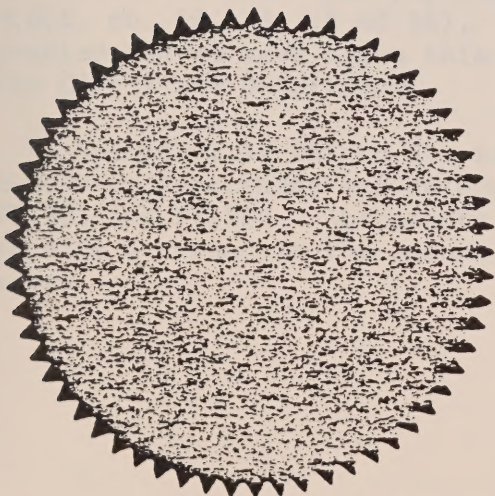
I further certify that the following amendments to the Articles of Organization appear of record here, namely:-

Articles of Amendment	filed	January 25, 1977
Articles of Amendment	filed	July 20, 1978
Articles of Amendment	filed	July 10, 1980

I also certify that no other amendments to the Articles of Organization appear of record in this office and said corporation still has legal existence.

IN TESTIMONY of which, I have hereunto

affixed the Great Seal of
the Commonwealth on the
date first above written.



Michael Joseph Connolly

Secretary of State

Rec
1/21/83

Boston

January 21, 1983

Mr. Robert Ryan, Director
Boston Redevelopment Authority
Boston City Hall
Boston, Ma. 02201

Dear Mr. Ryan,

Mr. Bob Leigh of the Chinese Economic Development Corporation (CEDC) has asked me to write to you to clarify the tax status on two properties owned and operated by CEDC. The properties involved are; 22 Boylston St. (The Boylston Building), and 17 Oxford St. (Oxford Pl.).

Firstly, 22 Boylston Street has outstanding taxes owed for FY1981 in the amount of \$44,586 and for FY1982 in the amount of \$75,504 or a total of \$120,090 plus interest and penalties. The Assessing Department has agreed that the property was overassessed in both years and was also entitled to a partial exemption in both years by reason of the Corporation's (CEDC) status as a tax exempt (ch. 180) corporation. The Department has agreed that the application of the abatement amount and the exemption amount will reduce the total tax liability in FY1981 to \$13,266.00 and in FY1982 to \$34,866.00 or a total of \$48,092.00. The mechanism for the crediting of the abatement/exemption amount in this case is to petition the Commissioner of Revenue to allow the Department to grant the above in accordance with M.G.L. ch. 58, §8, (8 of 58). We fully expect that this request will be granted and we have begun this process in conjunction with Mr. Leo McNiff of the City's Law Department.

Secondly, 17 Oxford St. is fully up to date on all tax payments. The Assessing Department has determined that this property was overassessed in FY1981 and FY1982. Abatements will be granted for both years and CEDC will receive a refund in the amount of \$61,276.00 for overpayments made in both years.



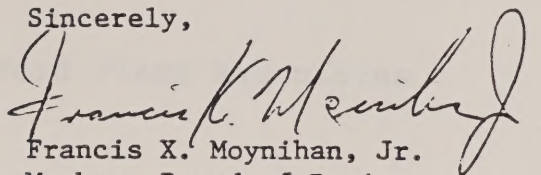
Kevin H. White, Mayor/ASSESSING DEPARTMENT/Boston City Hall/City Hall Plaza 02201

Mr. Robert Ryan
January 21, 1983
Page 2

To summarize, after all abatements/exemptions CEDC will owe the City of Boston a total of \$48,092.00 on 22 Boylston St. and will be due a refund in the amount of \$61,276.00 on 17 Oxford St.

Please contact me if any further information is required.

Sincerely,



Francis X. Moynihan, Jr.
Member, Board of Review

cc: Bob Leigh
Paul Murphy, Esq.
William McGrath

MCCORMACK & ZIMBLE

225 Franklin Street/Boston, Massachusetts 02110/Telephone (617)482-1400

EDWARD J. MCCORMACK, JR., P.C.
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of Counsel
ANGELO J. FIUMARA

January 24, 1983

Mr. William E. McGrath
121A Coordinator
Boston Redevelopment Authority
One City Hall Square, 9th Floor
Boston, Massachusetts

RE: First Amendment - Oxford Place Associates

Dear Mr. McGrath:

Enclosed please find an application for First Amendment for Oxford Place Associates. This amendment is filed in order to request a six month extension for the resolution of the unpaid real estate taxes on 2-22 Boylston Street, the property owned by Chinese Economic Development Council, Inc. (CEDC). As I had mentioned to you on the phone, the City has agreed to abate a substantial amount of taxes on this property and other property owned by CEDC and the net result would be a refund by the City to CEDC instead of a payment by CEDC to the City. I also enclose a check in the amount of \$500. (Filing Fee

I would appreciate your placing this item on the agenda for this Friday's meeting, January 28, 1983, at 2:00.

If you have any questions concerning the above, please do not hesitate to call me. Thank you for your cooperation and assistance in this matter.

Very truly yours,

MCCORMACK & ZIMBLE

James H. Greene, P.C.

JHG/crf
Enclosure

cc: Robert H. Leigh
Paul R. Murphy, Esquire
Thomas Swaim

